

Federal Government's failure to keep its education promises.

Custer is one those communities. It is a small ranching town in western South Dakota. Last year, Custer went to a 4-day school-week to balance its budget—and it still ended the year with a deficit. This year, Custer has to find an extra \$300,000 to replace the 70-year-old boiler in its elementary school. It has no idea where the money will come from.

In Faith, SD, the town's only school building was condemned in June. The people of Faith have no idea how they will replace their school. The local tax base can produce only a fraction of the cost. For now, the children of Faith are attending classes in double-wide trailers.

During the debate on No Child Left Behind, I fought to include a Rural Education Assistance Program to address the unique circumstances of schools in small towns like Custer and Faith. That program, too, is underfunded in the President's budget. In South Dakota alone, the shortfall in rural education this year is \$700,000.

Nearly every district in our State has laid off teachers in the last few years. They have cut advanced placement courses, art programs, foreign languages, vocational education programs—you name it. Wall, SD, has eliminated its entire middle-school staff. High school teachers in Wall now teach high school and middle school. Rural districts are forming consortia to share administrators and education specialists.

Across the country, schools are laying off teachers and other employees, and cutting programs, bus routes, textbook purchases, and other expenses. Many communities are rationing Title I funds—limiting them to elementary schools only—because, they say, if they had to include high schools, there wouldn't be enough left for elementary schools to make a difference.

The refusal by Republicans in Washington to adequately fund Federal education programs is not the only reason many public schools are having a difficult time balancing their budgets. But, at a time when many State and local governments are still struggling, these Republican unfunded education mandates are making a difficult situation worse in many places.

And it is going to get much worse. That is not speculation. The Bush administration's own internal budget documents project more than \$5.5 billion in cuts for elementary and secondary education in fiscal years 2005 through 2009. Those cuts are more than six times larger than the education increases they are calling for in this election year. That is from the President's own Office of Management and Budget.

If we really couldn't do any better, that would be one thing. But this is a matter of choice, not necessity. At the same time the President and Congressional Republicans are telling us that we can't afford—or don't need—to keep

the education promises the Federal Government makes, they insist that Congress needs to create tens of billions of dollars in new tax breaks for millionaires and wealthy corporations. That is the wrong choice for America. Real reform requires real resources, otherwise it is just an empty slogan, or worse—a set-up for failure.

As they start this new school year, most children probably aren't paying any attention to what goes on in Washington. But what we decide here about education will have a profound effect on their future. During the education appropriations debate, Democrats are going to fight to keep the education promises our Government has made. We hope our Republican colleagues will join us—for our children's future, and for the future of our democracy.

I yield the floor.

#### RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

#### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will be a period for the transaction of morning business for debate only for up to 60 minutes, with the first 30 minutes under the control of the Democratic leader or his designee and the second 30 minutes under the control of the majority leader or his designee.

Mr. REID. On behalf of Senator DASCHLE, I yield 10 minutes to the Senator from Illinois, and following him 15 minutes to the Senator from Massachusetts, Mr. KENNEDY.

The PRESIDING OFFICER. The Senator from Illinois.

#### HEALTH CARE IN AMERICA

Mr. DURBIN. Mr. President, yesterday President Bush went to Battle Creek, MI. The purpose of his visit, of course, was in preparation for the election but also to raise a critical issue, and the issue is the same one we have discussed this morning: health care in America. President Bush was outspoken in attacking Senator JOHN KERRY for having the nerve to suggest we need to change health care in America.

In criticizing JOHN KERRY, President Bush, quoting from the morning newspaper, said JOHN KERRY's proposal would be ultimately a Government takeover of medicine. It would be a massive, complicated blueprint to have our Government take over decision-making in health care. Bureaucrats would become the decisionmakers.

Once again, the Republican Party and President Bush wave the bloody shirt that if anyone suggests a change in the health care system in America today that they are calling for socialism and more bureaucracy.

What the President refuses to acknowledge and what the leadership on the Republican side of the Senate refuses to acknowledge is the health care system in America is in crisis. Since this President took office, census figures show 3.8 million more Americans are uninsured. In addition, the Kaiser Family Foundation study released last week said families are paying on average \$1,000 more out of pocket for health coverage this year than in the year before the President was elected.

It tells us that health care is becoming more expensive, more exclusive, and, frankly, that the average working family doesn't have a fighting chance under this system. What is the response on the Republican side of the aisle? What is the response from President Bush? More of the same. Don't rock the boat. We cannot say anything negative when it comes to the enormous profits that are being garnered by the drug companies and the HMOs.

But families and businesses across America understand the reality of health care today. When the Republican leader comes to the floor of the Senate and announces that we don't have time in the remaining weeks of the session to consider the issue of re-importing drugs from Canada or other countries, what he has basically said to thousands of seniors and families across America is that we are going to protect American drug companies and their profits at any cost. That is what has happened with our own prescription drug plan for seniors, and it is what is happening for the agenda for the Senate.

Look at what happened to premiums across America. On this chart is a trendline. I don't have to go year by year. Ask any employer in America what has happened to health insurance premiums and they will tell you that every year it is more expensive. I go around Illinois and meet with good, solid, God-fearing Republican businessmen who tell me: Senator, we cannot take it anymore. There is no way we can deal with these annual increases in health insurance. What are you doing in Washington about this? The honest answer is, under the Bush administration and the Republican-controlled Congress, absolutely nothing. So what do these businesses do? They will tell you over and over again they have no choice. How big an obstacle is health care cost in hiring new employees? And 78 percent say it is an obstacle. They cannot hire a new person because the cost of health insurance is so high.

What about the health insurance companies, the HMOs? How are they faring as these health insurance premiums go up? Do the premium increases just reflect the fact that it costs more to provide health care? Look at their profit margins. HMO profits from 2002 to 2003 went from \$5.5 billion to almost double that amount, \$10.2 billion.

You ask yourself, why is the President criticizing JOHN KERRY for bringing up meaningful health care reform